

1 allocation?

2 A No, I never did.

3 Q Now, you, you came to work for you current employer
4 in, in late 1990? Is that correct?

5 A October of 1990.

6 Q October 1990. And before, according to your

1 A January of '90? Right?

2 Q Um-hum.

3 A Yes, I was working for the TV station.

4 Q Would you characterize your -- at that time were you
5 full-time or part-time?

6 A Under their terms I was never full-time. To try to
7 explain this a little bit, when I first started "working"
8 there it was -- I was not getting paid for it. I was just
9 training. I was doing some of the board work and producing
10 commercials. The commercials that they did use on the air I
11 got paid for. Little by little I began to take interest in
12 other areas they allowed me to, such as reporting and
13 practicing on air work, which eventually I was the full-time
14 news anchor. But at the same time I was never paid as a full-
15 time employee. But I was their full-time news anchor and I
16 also did commercials.

17 Q Sounds like you should be consulting a wage and
18 hours attorney instead of -- attorney, but as of January '90,
19 can you recall what your -- you kind of described a rough
20 continuum from volunteer to, to virtual full-time employee,
21 but, but where would January of 1990 have fallen in that
22 continuum?

23 A I can't recall right now what exactly I was doing in
24 January of 1990.

25 Q When did you become the full-time news anchor?

1 A Approximately four months after I started training
2 there.

3 Q And you started training when?

4 A Back in November of '88.

5 Q November '88?

6 A That's correct.

7 Q So by January of '90 you would have been news anchor
8 for almost a year. Right?

9 A That's correct.

10 Q And you -- if your -- if they didn't consider you to
11 be a full-time employee by then, they certainly considered you
12 to be a part-time employee? Would that not be correct?

13 A I really don't know how they considered me. I just
14 got paid by the hours that I worked and sometimes I did
15 overtime, depending on news stories that were -- that I had to
16 follow up on.

17 JUDGE FRYSIK: Overtime based on a 40-hour week?

18 WITNESS: It was five days a week and it was -- I
19 never got paid like the other full-time people got paid.

20 JUDGE FRYSIK: For overtime. No, I mean when you
21 got paid overtime was it based on the 40 hours that you put in
22 or was it based on the sixth or seventh day of the week?

23 WITNESS: Probably the 40 hou-- 40.

24 JUDGE FRYSIK: So there were times when you worked
25 full-time.

1 WITNESS: But they never did -- what I'm trying to
2 say is they never did consider me as a full-time person. They
3 kind of singled me out.

4 MR. WARD: The reason I'm asking these questions,
5 Your Honor, is I'd like to have marked for identification a --
6 the annual employment report for 1990, filed by the licensee
7 of KOIA-TV. Mark that as Rivertown Exhibit 16.

8 (Whereupon, the document referred to
9 as Rivertown Exhibit No. 16 was
10 marked for identification.)

11 JUDGE FRYSIK: All right.

12 BY MR. WARD:

13 Q And I'd like to show a copy of that to the witness
14 and ask her if she recognizes Mr. Engstrom's signature on it?

15 A Yes, I do recognize his signature.

16 Q If I could invite your attention to page 2 of that
17 exhibit. Do you see that?

18 A What part again on page 2?

19 Q Well, on page, on page 2, over -- the third, the
20 third column from the right, under the broad category of
21 Female is the -- directly under the word female is the word
22 Hispanic.

23 A Yes. I see that.

24 Q And this station reported that as of January --
25 during -- for the pay period January 15 through January 31 of

1 1990, that it had no Hispanic employees, full-time or part-
2 time. Is that not --

3 A Yeah, I can --

4 Q Are you reading the report the same way I do?

5 A Yes. I'm reading it the same way you are.

6 MR. WARD: Your Honor, I would offer this exhibit in
7 evidence as Rivertown Exhibit 16.

8 MR. WARD: Yes, Your Honor. I object to the
9 admission of this document. This was prepared by somebody who
10 apparently is Dirk Engstrom. This witness has no knowledge as
11 to the preparation, why it was prepared in the fashion it was,
12 what was in the mindset of the preparer. The document speaks
13 for itself, but it's -- it has no evidentiary value in this
14 proceeding without some explanation as to why it was filled
15 out the way it was.

16 MR. WARD: Well the two explanations, I guess one is
17 that she wasn't -- she didn't think enough of being Hispanic
18 to have told them or two, that she wasn't employed.

19 MR. NEELY: I think, I think those two explanations
20 are entirely speculative. What, what Dirk Engstrom had in
21 mind when he filled out, only Dirk Engstrom can talk to that.
22 What he knew and what he didn't knew is, is with him. Not
23 with anybody here today.

24 JUDGE FRYSIAK: Well, it's your argument, but the
25 Commission certainly relied on this document. Otherwise, it

1 | wouldn't bother people to get them -- send them in. And Dirk
2 | Engstrom, President and General Manager -- I mean, he knew
3 | what he was writing.

4 | MR. NEELY: We can only speculate if he knew -- what
5 | he knew.

6 | JUDGE ROYCE: All right, we'll take that as the end of the case.

1 of anything else.

2 JUDGE FRYSIAK: Any --

3 WITNESS: Maybe, maybe -- perhaps I was seen as a
4 person and not as anything else.

5 BY MR. WARD:

6 Q Well, that's quite natural, isn't it? Isn't it a
7 fact that, that you are generally perceived in the community,
8 not as an Hispanic? Isn't that, isn't that generally true?

9 A It depends what group. What places.

10 Q Your English is impeccable. Your complexion is
11 light. I, I hate to --

12 MR. NEELY: What is this? This is ridiculous.

13 MR. WARD: Well, no, because the Commission defines

1 knows or doesn't know.

2 MR. WARD: Well, I was asking her if she had any
3 explanation for it and she --

4 WITNESS: I told you what I could.

5 JUDGE FRYSIAK: Pardon?

6 WITNESS: I told you what I could.

7 MR. WARD: You did not --

8 JUDGE FRYSIAK: Do you know of your own knowledge
9 whether Mr. Engstrom knew you were of Hispanic origin?

10 WITNESS: I believe I told Mr. Engstrom in our first
11 talks that I had been born in Iowa and that my mother was
12 Mexican.

1 counsel supplied me with a -- what appears to me to be an
2 earlier draft, unexecuted of this limited partnership
3 agreement -- with some handwritten notes on it. Do you
4 recognize that and do you recognize the handwritten notes as
5 being your own?

6 WITNESS: Do I recognize this and do I recognize
7 this as my handwriting?

8 MR. NEELY: You mean this page, Don, or do you mean
9 the entire document.

10 BY MR. WARD:

11 Q Well, the entire document.

12 A Yes, I do.

13 Q Take a look at it all and make sure -- it could be
14

1 I did that. Page 7, that's my handwriting. And that's all.

2 Q Okay. So it's only on page 5, was it, that your,
3 your lawyer, your Iowa lawyer did -- I'm sorry. Page 5 was
4 yours, right.

5 A Right. Page 5 is mine.

6 Q Page 4 -- this, this is his? I'm pointing to the
7 word accounting, for example. That's his editing rather than
8 yours?

9 A That is correct.

10 Q -- the grammatical revisions at the first paragraph
11 are his? He was, he was editing his own draft? Was this his
12 additional draft or had this initial draft come from some
13 place else?

14 A It was his.

15 Q Now, I'd like to invite your attention to your, your
16 handwritten edits on page 3 of this -- in the first place, was

1 losses."

2 Q Um-hum. Okay. Good. Can you explain what that

3 means?

4 A Can I look at it?

5 Q Certainly.

6 A I can't recall for sure.

7 Q And on the, on the fifth page there was some

8 handwriting which I, I have difficulty reading. Maybe you can

9 decipher it.

10 A Okay. On page 5, second paragraph, on the right-

11 hand side, "I already know what my salary is." That's what it

12 says there.

13 Q Um-hum.

14 A Underneath the second paragraph, it says, "my salary

15 depends on the budget. The salary will be paid off -- paid,

16 paid out of operational -- operation," and I can't read the

17 rest.

18 Q Um-hum.

19 A And beside the third full paragraph on page 5 on the

20 right-hand side, "I can't, I can't get advice from him. No

21 service."

22 Q No --

23 A I believe that -- that's no service. That's the

24 best I can read from there.

25 Q Okay. And that, and that, that, I guess, is your

1 characterization of what the paragraph states in many more
2 sentences.

3 A I can't tell you that for sure.

4 Q Okay. So it appears, to me at least, that, that
5 your basic -- your principle concern about the agreement was
6 stated in the marginal note which you read on page 3. That
7 you don't like it because, because Bruce's limitations of loss
8 liability is, is only -- for only \$6,000. Is that -- was that
9 your only concern about the agreement?

10 A I can't say that. No.

11 Q Can you recall any other concerns that you had at
12 the time?

13 A I can't say that that was really -- or is or was
14 really a concern. I don't know how I can, for sure, relate
15 this to, to that paragraph like you are -- like you just
16 stated. And any other concerns -- you asked me if I had any
17 other concerns. Well, in other words, seeing that's not
18 really a concern to me. Concerns at all about the
19 partnership. No, not really. I believe it's just like
20 anything else. It can be a risk. but -- concern. It can be a

1 Q And that you are not obliged to invest any money.
2 Is that correct?

3 A That is correct.

4 Q On the other hand, is it not also true that Mr.
5 Linder is only obliged to invest \$6,000 in the partnership?

6 A In the partnership.

7 Q Yes.

8 A Yes.

9 Q And it's your understanding of the -- is it not your
10 understanding of the partnership that that -- as your
11 handwritten note indicated, he's only -- his liability is
12 limited to the possible loss of that \$6,000? Whereas, as the,
13 as the general partner, your liability is unlimited? Is that
14 your understanding?

15 A That's the way I understand it.

16 Q Did you discuss that with your, with your local
17 lawyer during the time that -- or either, either prior to or
18 after this draft partnership agreement was presented to you?

19 A It was more or less recently that I recalled that he
20 -- well, we talked about it. About the risk involved.

21 Q You and -- he, being your local lawyer?

22 A Mr. John Webber (phonetic sp.) from -- Mr. John
23 Webber from McKay, Moreland, and Webber.

24 Q What do you mean recently?

25 A I believe it was after my deposition in Eldon that I

1 clearly recall that.

2 Q Did you, did you seek him out after that deposition?
3 Seek out Mr. Webber to talk -- did you call Mr. Webber and ask
4 him about, about --

5 A I don't remember that I did.

6 Q Did you, did you ask Mr. Webber why he had
7 structured this as a limited partnership as opposed to a
8 corporation where you could have had your liability limited as
9 much as Mr. Linder's?

10 A No, we didn't discuss that.

11 Q You didn't discuss that. Who chose the -- did you
12 and Mr. Linder already agree upon the limited partnership
13 concept before you approached your, your local lawyer, whose
14 name I forget already? What was the name?

15 A John Webber.

16 Q Webber.

17 A We had discussed the terms of the agreement.

18 Q Of a limited partnership agreement or a partnership
19 agreement or --

20 A A limited partnership agreement.

21 Q Had you ever heard of a limited partnership --

22 A I had heard about it before.

23 Q -- agreement before. What had you, what had you
24 heard about them?

25 A I can't remember all that I heard about it.

1 Q Well, who, who suggested that -- between you and Mr.
2 Linder. Who suggested the limited partnership?

3 A It was an agreement that the two of us reached.

4 Q Well, somebody had to come up with the idea first.

5 A I can't remember either one of us coming out with
6 that idea first.

7 Q Well, then maybe somebody else came up with it and
8 suggested it to both of you. Is that possible?

9 MR. MILLER: Objection to the form of the question,
10 is it possible.

11 MR. WARD: I told you. I, I --

12 JUDGE FRYSIK: Sustained.

13 MR. WARD: I told you I sometimes ask those
14 questions.

15 BY MR. WARD:

16 Q Did somebody else suggest to you or to Mr. Linder
17 that, that you file a limited partnership entity? In fact,
18 didn't Mr. Miller or Mr. Neely suggest that?

19 A I honestly can't recall if they did.

20 Q Now, really what you're saying is you can't recall
21 who suggested it?

22 A No, I can't recall who suggested it.

23 JUDGE FRYSIK: Well, was it you?

24 WITNESS: That suggested the limited partnership?

25 JUDGE FRYSIK: Yes.

1 WITNESS: It could have been.

2 JUDGE FRYSIAK: What did you expect to achieve by
3 picking this vehicle?

4 WITNESS: I guess the, the chance, the opportunity
5 to, to be able to get into ownership, but with the
6 responsibility, keeping in mind that, that I have to make it.

7 JUDGE FRYSIAK: Well, how would that differ from the
8 -- another vehicle like a corporation?

9 WITNESS: I don't know for sure but for some reason
10 I felt at that time that it was -- I felt comfortable enough,
11 you know, to choose a limited partnership.

12 JUDGE FRYSIAK: What made you pick this one?

13 WITNESS: It's the best that I knew at the time.

14 JUDGE FRYSIAK: But did you understand at the time
15 that you were going to be fully liable as a general partner
16 for all the expenses of the partnership?

17 WITNESS: That's the way that I can remember that I
18 understood it.

19 JUDGE FRYSIAK: But did you understand it of your
20 own knowledge or was it pointed out to you?

21 WITNESS: I believe Mr. Webber is the one that
22 pointed that out.

23 JUDGE FRYSIAK: And you found that attractive?

24 WITNESS: Not really attractive. I can't call it
25 attractive.

1 JUDGE FRYSIK: Well, as opposed to forming a
2 corporation.

3 WITNESS: I can't recall exactly why I chose that
4 vehicle. At the time it seemed to be the best.

5 JUDGE FRYSIK: Was it because it was the only one
6 available to you?

7 WITNESS: No. I can't say it was the only thing
8 available to me.

9 JUDGE FRYSIK: All right. You may continue.

10 BY MR. WARD:

11 Q Is Mr. Webber a tax lawyer? Do you know?

12 A No, I don't.

13 Q Does he purport to give tax advice or is he just
14 sort of a general entry lawyer.

15 A He's a very nice Iowa lawyer.

16 Q I'm sorry?

17 A He's a very nice Iowa lawyer. What his specialty
18 is, I don't know.

19 Q Okay. You don't, you don't know that he has any
20 tax --

21 A No, I don't know.

22 Q And he never, he never suggested a, a corporate, a
23 corporate form for Sample Broadcasting to you?

24 A I can't remember if he did or not. I can't say yes.
25 I can't say no. I'm not sure.

1 Q Do you think at that time you understood the
2 difference between a corporation and a partnership in terms of
3 your personal liability?

4 A Not to a great extent. No.

5 Q It was my questions of you in this area during our
6 deposition session in early April that prompted you to go back
7 to Mr. Webber and have more conversations with him about that?

8 MR. NEELY: Wait a minute. I don't think she ever
9 testified that there were additional conversations with Mr.
10 Webber about the -- that's not how she testified, Don.

11 JUDGE FRYSIK: I thought she did.

12 MR. NEELY: No.

13 MR. WARD: I thought she did.

14 MR. NEELY: We can have the --

15 MR. WARD: -- straighten it out. If my premise is
16 wrong, straighten me out.

17 BY MR. WARD:

18 Q You testified five or ten minutes ago that after,
19 after the deposition you contacted Mr. Webber to discuss with
20 him -- I thought that the, the question of corporate versus
21 limited partnership? No?

22 A No, I don't recall that. I recall that I, that I was
23 thinking -- I don't recall saying that. If we -- if there's a
24 way that we can go through that again, but I don't recall
25 going and talking to Mr. Webber after my deposition. I recall

1 something -- I remember recalling something else, but I don't
2 recall going to see Mr. Webber after the deposition.

3 Q Okay. I misunderstood you. So you haven't had any
4 contact with Mr. Webber since April 1 of '93?

5 A April 1 of '93.

6 Q I think that was the date of the deposition.

7 A Contact with Mr. Webber?

8 Q Yes.

9 A Are you, are you saying that I, that I spoke to him
10 April -- that April --

11 Q No, no. April 1 is the date of the deposition.

12 A Right.

13 Q My question is, is it your testimony that you
14 haven't -- you have not spoken to him since your deposition
15 was taken in Eldon in April of this year?

16 JUDGE FRYSIK: Or any contact. His words were,
17 you've had no contact with Mr. Webber from the time that you
18 were deposed.

19 WITNESS: I may have. We go to the same church, but
20 I remember seeing him. I don't recall talking about the --

21 BY MR. WARD:

22 Q You haven't talked to him about, about Sample
23 Broadcasting at all since then?

24 A To the best of my recollection, no.

25 Q Fine. You, you've been employed, I think you said,

1 by, by Olde Towne Communications since October of '90? Is
2 that correct?

3 A That is correct.

4 Q And that -- I believe it's correct that that is
5 roughly the time that Mr. Bruce Linder became a stockholder at
6 Olde Towne, replacing his brother, John. Do you -- you
7 wouldn't know about that --

8 A I don't --

9 Q -- in particular. I'll explore that with him. But
10 had you -- did you have any contact when you were first
11 employed by, by Olde Towne? Did you have any contact with
12 John Linder? Do you know John Linder?

13 A Yes, I know who he is.

14 Q Did you have any contact with him in a professional
15 way in -- after -- just after you were employed?

1 '90?

2 A Roughly.

3 Q Or maybe the first of the year? January? You, you
4 can't recall a specific moment when you first met him? You
5 can't recall the circumstances under which you --

6 A I recall the first time I -- well, I don't think I
7 can -- can recall the first time I saw him.

8 Q Um-hum.

9 A But maybe I started noticing that the same person
10 was at the office and that he, he became a familiar face. But

11 [REDACTED]

1 A That is correct.

2 Q Could, could you, could you roughly pinpoint that
3 change to when the Ottumwa studio was finished?

4 A I knew you were going to ask that. I'm trying to
5 think. I'm trying to remember how many Christmases I've spent
6 in Ottumwa.

7 Q Well, this is '93, so --

8 A Right.

9 Q '91 you were still in Oskaloosa --

10 A Time flies when you're having fun.

11 Q '92 you were probably in Ottumwa.

12 A A couple of years.

13 Q Well, that's okay. Bruce, Bruce Linder visits the
14 station. His home, his home is in Minnesota as I recall,
15 Mankato --

16 JUDGE FRYSIK: You must speak your answer.

17 WITNESS: That is correct.

18 BY MR. WARD:

19 Q And how much -- how, how frequently do you see him
20 in the -- either the Ottumwa or the Oskaloosa studios of KKSI?

21 A It varies a lot. I have not seen him at the
22 Oskaloosa office probably since I've been working out of
23 Ottumwa. And how many times have I seen him in Ottumwa in the
24 last -- what period of time?

25 Q Well, let's say in the last six months.

1 A In the last six months, it's been, it's been
2 variable. Since they've been doing remodeling work and the
3 likes at the Ottumwa office, he's been there more often. So
4 to come down to rough numbers -- this is a guess. I can't
5 remember exactly. Perhaps eight times.

6 Q Eight times in the last six months? On the
7 average --

8 A Perhaps.

9 Q That's on the average of about once every three
10 weeks?

11 A It's a guess.

12 Q Does he stay there for just one day or over a
13 weekend or a week at a time?

14 A I couldn't tell you how long he stays there, but he
15 -- for example, last week he was there three days in a row
16 because of the remodeling.

17 Q Is he in the plumbing and heating business?

18 A Not, not that I'm aware of.

19 Q So, do you, do you make it a point to get together
20 or -- when he is in town and have lunch together or meet
21 socially?

22 A When there's a chance. Usually our schedules are,
23 are very different. Since I get up so early in the morning,
24 then I try to leave early -- early being 1:00 or 2:00 in the
25 afternoon after being there, since 5:00 in the morning. So he

1 the time he gets in he's busy with other people and there's
2 been a chance and yes we do have lunch. I would say.

3 Q He's interested in your, in your work? What you're
4 doing for KCSI. Is that not true?

5 A I'd like to think that.

6 Q Does he talk to you about that quite often?

7 A I wouldn't say quite often, but he ha-- I wouldn't
8 say quite often, but I would say he talks about it -- about
9 the work that I do.

10 Q Um-hum. There's a -- there's also a general manager
11 at the station to whom you report?

12 A That is correct.

13 Q Um-hum. Has that been the same general manager ever
14 since you came to work there?

15 A No, it has not been the same one.

16 Q How many general managers have you had since you
17 came to work there?

18 A I've known two.

19 Q How often -- so that means the general manager today
20 is not the one that was there -- that hired you. Correct?

21 A The general manager there today was not the same one
22 -- was not the first one. And the first general manager was
23 not the one that hired me either.

24 Q Very good. Okay. Who, who did hire you?

25 A The two, two gentlemen interviewed me, Brian Garvin

1 and Mike Perry.

2 Q Okay. And they came from another Linder station?
3 They work for another Linder station?

4 A I believe so.

5 Q In the Des Moines area.

6 A I don't know in the Des Moines area.

7 Q How long has the current general manager of KKSI
8 been, been in that position?

9 A About two years next month. Approximately.

10 Q So approximately July of '91?

11 A That sounds, that sounds correct.

12 Q Did -- were you considered for that position of
13 general manager?

14 A I don't know if I was considered. If I was
15 considered they never told me.

16 Q Did you apply for it?

17 A No, I did not apply for it.

18 Q Did you ever discuss with Bruce Linder that you'd
19 like to be general manager at KKSI?

20 A No, I never did.

21 Q Or that you'd like to have an ownership interest in
22 KKSI?

23 A No, I don't think I ever did.

24 Q Did he ever offer you any, any management position
25 at KKSI? Offer you a means to buying equity in KKSI?